

The Senate Economic Development Committee offered the following substitute to SB 542:

A BILL TO BE ENTITLED

AN ACT

To amend Chapter 1 of Title 38 of the Official Code of Georgia Annotated, relating to general provisions concerning military, emergency, and veterans affairs, so as to authorize the creation of implementing local redevelopment authorities under certain circumstances; to confer powers and impose duties on such authorities; to provide for the membership and the appointment of members of such authorities and their terms of office, qualifications, duties, powers, and compensation; to provide for vacancies, organization, meetings, and expenses; to prohibit authority employees and members from having certain interests; to provide for definitions; to provide for revenue bonds and their form, signatures thereon, negotiability, sale, and use of proceeds from such sales; to provide for interim documents and for lost or mutilated documents; to provide for conditions for issuance; to prohibit the pledge of credit for the payment of bonds; to provide for trust indentures and a sinking fund; to provide for payment of bond proceeds; to provide for bondholder remedies and protection; to provide for refunding bonds; to provide for bond validation; to provide for venue and jurisdiction; to provide for trust funds; to provide for authority purpose; to provide for charges; to provide for rules and regulations; to provide for tort immunity; to provide for tax exemptions; to provide for supplemental powers; to provide for effect on other governments; to provide for liberal construction; to provide for an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Chapter 1 of Title 38 of the Official Code of Georgia Annotated, relating to general provisions concerning military, emergency, and veterans affairs, is amended by designating the existing provisions of such chapter as Article 1 and adding a new article to read as follows:

"ARTICLE 2

38-1-20.

(a) As used in this article, the term:

(1) 'Affected military installation' means a United States military base or installation located in this state which has been designated for realignment or closure by the Defense Base Closure and Realignment Commission, also known as the BRAC Commission, which contains 500 acres or less of real property, and for which the planning local redevelopment authority is seeking an economic development conveyance of all or a portion of such base or installation.

(2) 'Authority' or 'redevelopment authority' means an implementing local redevelopment authority created by this article.

(3) 'Cost of the project' means and embraces the cost of construction; the cost of all lands, properties, rights, easements, and franchises acquired; the cost of all machinery and equipment, financing charges, interest prior to and during construction and for one year after completion of construction; the cost of engineering, architectural, fiscal agent, and legal expenses, and of plans and specifications, and other expenses necessary or incident to determining the feasibility or practicability of the project, administrative expenses, and such other expenses as may be necessary or incident to the financing authorized in this article; the cost of the acquisition or construction of any project; and the cost of placing any project in operation. Any obligation or expense incurred for any of the foregoing purposes shall be regarded as a part of the cost of the project and may be paid or reimbursed as such out of the proceeds of revenue bonds issued under the provisions of this article for such project.

(4) 'Economic development conveyance' has the same meaning as provided in 32 C.F.R. 174.9(a).

(5) 'Project' includes:

(A) The land and any one or more buildings or structures located in or on the land (the real property) formerly occupied by the affected military installation and the real property adjacent thereto to be used in education, parks and recreation, transportation, health care, research, housing, commerce, or the production, manufacturing, processing, assembling, storing, or handling of any agricultural, manufactured, mining, or industrial product or any combination of the foregoing or similar uses, in every case with all necessary or useful furnishings, machinery, equipment, parking facilities, landscaping, and facilities for outdoor storage, all as determined by the authority, which determination shall be final and not subject to review; and there may be included as part of any such project all improvements necessary to the full utilization thereof, including

1 site preparation, roads and streets, sidewalks, water supply, outdoor lighting, belt line
2 railroad sidings and lead tracks, bridges, causeways, terminals for railroad and
3 automotive transportation, and transportation facilities incidental to the project;

4 (B) The acquisition, construction, leasing, or equipping of new industrial facilities or
5 the improvement, modification, acquisition, expansion, modernization, leasing,
6 equipping, or remodeling of existing industrial or governmental facilities located or to
7 be located in or on the property formerly occupied by the affected military installation
8 and the properties adjacent thereto;

9 (C) The acquisition, construction, improvement, or modification of any property, real
10 or personal, which any industrial concern might desire to use, acquire, or lease in
11 connection with the operation of any plant or facility located or to be located in or on
12 the property formerly occupied by the affected military installation and the properties
13 adjacent thereto; and

14 (D) The acquisition and development of land in or on the property formerly occupied
15 by the affected military installation as the site for an educational facility, historical
16 preservation site, commercial enterprise, entertainment facility, park or recreational
17 facility, industrial park, transportation facility, health care facility, research facility,
18 residential project, or similar uses, provided that, for purposes of this subparagraph, the
19 term 'development of land' includes the provision of water, sewage, drainage, or similar
20 facilities or transportation, power, or communication facilities which are incidental to
21 use of the site as an educational facility, historical preservation site, commercial
22 enterprise, entertainment facility, park or recreational facility, industrial park,
23 transportation facility, health care facility, research facility, residential project, or
24 similar use but, except with respect to such facilities, does not include the provision of
25 structures or buildings.

26 (6) 'Revenue bonds' or 'bonds' means revenue bonds as defined and provided for in
27 Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the 'Revenue Bond Law,' and such
28 type of obligations may be issued by the authority as authorized under said Revenue
29 Bond Law and any amendments thereto and, in addition, shall also mean obligations of
30 the authority, the issuance of which are hereinafter specifically provided for in this
31 article.

32 (b) Any project shall be deemed 'self-liquidating' if, in the judgment of the authority, the
33 revenues and earnings to be derived by the authority therefrom and all facilities used in
34 connection therewith will be sufficient to pay the costs of operating, maintaining, repairing,
35 improving, and extending the project and to pay the principal of and interest on the revenue
36 bonds which may be issued to finance, in whole or in part, the cost of such project or
37 projects.

1 38-1-21.

2 (a) There is created for each affected military installation in this state an implementing
3 local redevelopment authority which shall be a body corporate and politic and which shall
4 be deemed to be a political subdivision of the State of Georgia and a public corporation.
5 Such body may contract and be contracted with, sue and be sued, implead and be
6 impleaded, and bring and defend actions in all courts. Such authority, after activation as
7 provided in subsection (k) of this Code section, shall have perpetual existence and shall be
8 the exclusive means by which any economic development conveyance may be made with
9 regard to the affected military installation; provided, however, that the authority may be
10 dissolved by executive order of the Governor or upon resolution approved by a majority
11 of the voting members of the authority that:

12 (1) Finds that the purpose of the authority has been served and that there is no further
13 need for the authority;

14 (2) Finds that all bonded indebtedness and other debt obligations of the authority have
15 been satisfied;

16 (3) Provides for the transfer of all assets and property, both real and personal, of the
17 authority to the state or other governmental entity; and

18 (4) Provides for the dissolution of the authority as of a date certain.

19 (b) An authority created pursuant to this article shall consist of not less than 11 nor more
20 than 15 members. The majority of the members of the authority:

21 (1) In the case of an affected military installation located wholly within a municipality,
22 shall come from such municipality;

23 (2) In the case of an affected military installation located wholly within the
24 unincorporated area of a county, shall come from such county; and

25 (3) In the case of an affected military installation that is located partially within a
26 municipality or municipalities, partially in the unincorporated area of a county or
27 counties, or a combination thereof, shall come from the county or municipality that
28 contains the greatest portion of the affected military installation.

29 In addition, the Governor shall select a voting member to represent the State of Georgia.
30 With the exception of the member selected by the Governor to represent the State of
31 Georgia, the members shall be appointed by the Governor from a list of not less than ten
32 nominees each submitted by the governing authorities of each county and by the mayor of
33 each municipality in which the affected military installation is located and by the governing
34 authority of each county and by the mayor of any municipality which abuts the affected
35 military installation. Persons so appointed shall serve for initial terms of office which shall
36 expire on December 31 of the fourth year after their appointment. After the initial terms
37 of office, members of the authority shall serve for terms of office of four years each.

Members of the authority shall serve for their respective terms of office specified in this subsection and until their respective successors are appointed and qualified. Any member of the authority may be appointed to succeed himself or herself. After such appointment, the members of such authority shall enter upon their duties. Any vacancy on the authority shall be filled in the same manner as was the original appointment of the member whose term of membership resulted in such vacancy, except that if a nomination of a person to fill a vacancy in membership is not submitted to the Governor within 30 days after the vacancy occurs, the vacancy shall be filled by an appointment made by the Governor without the necessity of a nomination from the affected area. A person appointed to fill a vacancy shall serve for the remainder of the unexpired term and until the appointment and qualification of a successor. The members of the authority shall be reimbursed, upon submission of sworn vouchers, for all actual expenses incurred in the performance of their duties out of funds of the authority but shall receive no further compensation. The authority shall make rules and regulations for its own government.

(c) To be eligible for appointment as a member of the authority, a person shall be at least 21 years of age and shall not have been convicted of a felony.

(d) The Governor shall select one of the members of the authority to serve as chairperson. Also, the members of the authority shall elect one of their number as vice chairperson, shall elect one of their number as secretary, and may elect one of their number as treasurer. The secretary may also serve as treasurer. Each of such officers shall serve for a period of two years and until their successors are duly elected and qualified. The chairperson of the authority shall be entitled to vote upon any issue, motion, or resolution.

(e) In addition to the members set forth in subsection (b) of this Code section, there shall be ex officio members who shall be as follows:

(1) One member appointed by the members of the Senate whose districts include all or a portion of the affected military installation and one member appointed by the members of the House of Representatives whose districts include all or a portion of the affected military installation;

(2) The commissioner of the Department of Economic Development or his or her designee;

(3) The commissioner of the Department of Community Affairs or his or her designee;

(4) The commissioner of the Department of Natural Resources or his or her designee;

(5) The commissioner of the Department of Transportation or his or her designee;

(6) The Commissioner of Labor or his or her designee; and

(7) The chancellor of the University System of Georgia or his or her designee.

Such ex officio members shall have all of the rights and duties as other members of the redevelopment authority except that they shall not have the right to vote on any matter.

(f) The redevelopment authority may create the following subcommittees: health care, education, infrastructure, labor, real estate, economic development, housing and homelessness, environment, and quality of life and others as deemed appropriate. The redevelopment authority may appoint as members of the subcommittees such individuals from the community as the authority deems appropriate and such members do not have to be members of the authority. The subcommittees shall serve in an advisory capacity to the redevelopment authority. The chairperson of the authority shall choose from among the members of each subcommittee a person to serve as chairperson of that subcommittee. The chairpersons of the subcommittees shall serve two-year terms and shall be eligible for reappointment.

(g) A majority of the members of the authority, excluding ex officio members, shall constitute a quorum. No vacancy on the authority shall impair the right of the quorum to exercise all of the rights and perform all of the duties of the authority.

(h) A vacancy on the authority shall exist in the office of any member of the authority who is convicted of a felony or who enters a plea of nolo contendere thereto; who is convicted of a crime involving moral turpitude or who enters a plea of nolo contendere thereto; who is convicted of any act of misfeasance, malfeasance, or nonfeasance of such person's duties as a member of the authority; or who fails to attend three consecutive regular meetings of the authority without an excuse approved by a resolution of the authority.

(i) All meetings of the authority, regular or special, shall be open to the public.

(j) No member or employee of the authority shall have, directly or indirectly, any financial interest, profit, or benefit in any contract, work, or business of the authority nor in the sale, lease, or purchase of any property to or from the authority.

(k) No authority shall come into existence pursuant to this article unless and until the Governor issues an executive order finding that:

(1) A United States military base or installation located in this state has been designated for realignment or closure by the Defense Base Closure and Realignment Commission, also known as the BRAC Commission;

(2) The base or installation contains 500 acres or less of real property;

(3) The planning local redevelopment authority is seeking an economic development conveyance of all or a portion of such base or installation; and

(4) The creation of an implementing local redevelopment authority is in the best interests of the state and the affected area.

38-1-22.

Without limiting the generality of any provision of this article, the general purpose of an authority created under this article is declared to be that of executing and administering a

1 reuse plan for the property formerly occupied by the affected military installation,
2 executing economic development conveyances for such property, and acquiring,
3 constructing, equipping, maintaining, and operating projects in or on the property formerly
4 occupied by the affected military installation resulting from the closure or realignment of
5 the affected military installation so as to ameliorate the impact of such closure or
6 realignment on the communities and citizens of the surrounding area; extending and
7 improving such projects; acquiring the necessary property therefor, both real and personal,
8 with the right to contract for the use of or to lease or sell any or all of such facilities,
9 including real property, to any persons, firms, or corporations, whether public or private,
10 if in the sole judgment of the authority such use, lease, or sale supports the general
11 purposes of the authority; and doing all things deemed by the authority necessary,
12 convenient, and desirable for and incident to the efficient and proper development and
13 operation of such type of undertakings.

14 38-1-23.

15 An authority created under this article shall have the power:

16 (1) To have a seal and alter the same at its pleasure;

17 (2) To acquire by purchase, lease, or otherwise, including acquisition of land from the
18 federal government, and to hold, lease, and dispose of real and personal property of every
19 kind and character for its corporate purposes and to plan, acquire, establish, develop,
20 construct, enlarge, improve, maintain, equip, and lease all projects which shall come
21 under the control of the authority under the provisions of this article or which it may
22 acquire or plan to acquire; to regulate, protect, and police such projects and all related
23 activities and facilities; to enter into any contracts, leases, or other agreements,
24 promulgate any orders, and set any tolls, fees, or other charges for the use of property or
25 services of the authority and collect and use the same as necessary to operate the projects
26 under control of the authority; and to accomplish any of the purposes of this article and
27 make any purchases or sales necessary for such purposes;

28 (3) To acquire in its own name by purchase, on such terms and conditions and in such
29 manner as it may deem proper, real property, or rights or easements therein, or franchises
30 necessary or convenient for its corporate purposes, and to use the same so long as its
31 corporate existence shall continue, and to lease or make contracts with respect to the use
32 of such property, or dispose of the same in any manner it deems to be to the best
33 advantage of the authority;

34 (4) To appoint, select, and employ officers, agents, and employees, including real estate,
35 environmental, engineering, architectural, and construction experts, fiscal agents, and
36 attorneys, and to fix their respective compensations;

(5) To make contracts and leases and to execute all instruments necessary or convenient, including contracts for construction of projects and leases of projects or contracts with respect to the use of projects which it causes to be constructed, erected, or acquired. Any and all persons, firms, and corporations and any and all political subdivisions, departments, institutions, or agencies of the state and federal government are authorized to enter into contracts, leases, or agreements with the authority upon such terms and for such purposes as they deem advisable; and, without limiting the generality of the foregoing, authority is specifically granted to municipal corporations, counties, and other political subdivisions and to the authority to enter into contracts, lease agreements, or other undertakings with each other relating to projects of the authority for a term not exceeding 50 years. Likewise, without limiting the generality of the above and foregoing, the same authority above granted to municipal corporations, counties, political subdivisions, and to the authority relative to entering into contracts, lease agreements, or other undertakings is authorized between the authority and private corporations, both inside and outside this state, and between the authority and public bodies, including counties and cities outside this state and the federal government;

(6) To construct, erect, acquire, own, repair, remodel, maintain, add to, extend, improve, equip, operate, and manage projects, as defined in this article, the cost of any such project to be paid in whole or in part from the proceeds of revenue bonds of the authority or from such proceeds and any grant or contribution from the United States of America or any agency or instrumentality thereof or from the State of Georgia or any agency or instrumentality thereof;

(7) To accept loans and grants of money or materials or property of any kind from the United States of America or any agency or instrumentality thereof upon such terms and conditions as the United States of America or such agency or instrumentality may require;

(8) To accept loans and grants of money or materials or property of any kind from the State of Georgia or any agency or instrumentality or political subdivision thereof upon such terms and conditions as the State of Georgia or such agency or instrumentality or political subdivision may require;

(9) To borrow money for any of its corporate purposes and to issue negotiable revenue bonds payable solely from funds pledged for that purpose and to provide for the payment of the same and for the rights of the holders thereof;

(10) To exercise any power usually possessed by private corporations performing similar functions, including the power to make short-term loans and approve, execute, and deliver appropriate evidence of such indebtedness, provided that no such power is in conflict with the Constitution or general laws of this state; and

1 (11) To do all things necessary or convenient to carry out the powers expressly given in
2 this article.

3 38-1-24.

4 An authority created under this article, or any authority or body which has or which may
5 in the future succeed to the powers, duties, and liabilities vested in the authority created by
6 this article, is authorized to provide by resolution for the issuance of negotiable revenue
7 bonds of the authority for the purpose of paying all or any part of the cost as herein defined
8 of any one or more projects. The principal of and interest on such revenue bonds shall be
9 payable solely from the special fund provided in this article for such payment. The bonds
10 of each issue shall be dated, shall bear interest at such rate or rates per annum, payable at
11 such time or times, shall mature at such time or times not exceeding 40 years from their
12 date or dates, shall be payable in such medium of payment as to both principal and interest
13 as may be determined by the authority, and may be redeemable before maturity, at the
14 option of the authority, at such price or prices and under such terms and conditions as may
15 be fixed by the authority in the resolution for the issuance of bonds.

16 38-1-25.

17 An authority created under this article shall determine the form of the bonds, including any
18 interest coupons to be attached thereto, and shall fix the denomination or denominations
19 of the bonds and the place or places of payment of principal and interest thereon, which
20 may be at any bank or trust company inside or outside the state. The bonds may be issued
21 in coupon or registered form, or both, as the authority may determine, and provision may
22 be made for the registration of any coupon bond as to principal alone and also as to both
23 principal and interest.

24 38-1-26.

25 In case any officer whose signature shall appear on any bond or whose facsimile signature
26 shall appear on any coupon shall cease to be such officer before the delivery of such bonds,
27 such signature shall nevertheless be valid and sufficient for all purposes the same as if such
28 officer had remained in office until such delivery. All such bonds shall be signed by the
29 chairperson of the authority and the official seal of the authority shall be affixed thereto and
30 attested by the secretary of the authority and any coupons attached thereto shall bear the
31 facsimile signatures of the chairperson and the secretary of the authority. Any coupon may
32 bear the facsimile signatures of such persons and any bond may be signed, sealed, and
33 attested on behalf of the authority by such persons as at the actual time of the execution of

1 such bonds shall be duly authorized or hold the proper office, although at the date of such
2 bonds such person may not have been so authorized or shall not have held such office.

3 38-1-27.

4 All revenue bonds issued under the provisions of this article shall have and are declared to
5 have all the qualities and incidents of negotiable instruments under the laws of this state.
6 Such bonds, their transfer, and the income therefrom shall be exempt from all taxation
7 within this state.

8 38-1-28.

9 An authority created under this article may sell such bonds in such manner and for such
10 price as it may determine to be for the best interest of the authority. The proceeds derived
11 from the sale of such bonds shall be used solely for the purpose or purposes provided in the
12 resolutions and proceedings authorizing the issuance of such bonds.

13 38-1-29.

14 Prior to the preparation of any definitive bonds, an authority created under this article may,
15 under like restrictions, issue interim receipts, interim certificates, or temporary bonds, with
16 or without coupons, exchangeable for definitive bonds upon the issuance of the latter.

17 38-1-30.

18 An authority created under this article may provide for the replacement of any bonds or
19 coupons which shall become mutilated or be destroyed or lost.

20 38-1-31.

21 Revenue bonds may be issued without any other proceedings or the happening of any other
22 conditions or things other than those proceedings, conditions, and things which are
23 specified or required by this article. In the discretion of the authority, revenue bonds of a
24 single issue may be issued for the purpose of any particular project. Any resolution
25 providing for the issuance of revenue bonds under the provisions of this article shall
26 become effective immediately upon its passage and need not be published or posted, and
27 any such resolution may be passed at any regular or special meeting of the authority by a
28 majority of its members.

29 38-1-32.

30 Revenue bonds issued under the provisions of this article shall not be deemed to constitute
31 a debt of the State of Georgia or any county or municipality nor a pledge of the faith and

1 credit of the State of Georgia or any county or municipality; but such bonds shall be
2 payable solely from the fund hereinafter provided for and the issuance of such revenue
3 bonds shall not directly, indirectly, or contingently obligate the State of Georgia or any
4 county or municipality to levy or to pledge any form of taxation whatever therefor or to
5 make any appropriation for their payment. All such bonds shall contain recitals on their
6 face covering substantially the foregoing provisions of this Code section.

7 38-1-33.

8 In the discretion of an authority created under this article, any issuance of such revenue
9 bonds may be secured by a trust indenture by and between the authority and a corporate
10 trustee, which may be any trust company or bank having the powers of a trust company
11 inside or outside the state. Such trust indenture may pledge or assign fees, tolls, revenues,
12 and earnings to be received by the authority. Either the resolution providing for the
13 issuance of revenue bonds or such trust indenture may contain such provisions for
14 protecting and enforcing the rights and remedies of the bondholders as may be reasonable
15 and proper and not in violation of law, including covenants setting forth the duties of the
16 authority in relation to the acquisition of property, the construction of the project, the
17 maintenance, operation, repair, and insuring of the project, and the custody, safeguarding,
18 and application of all moneys, and may also provide that any project shall be constructed
19 and paid for under the supervision and approval of consulting engineers or architects
20 employed or designated by the authority, and satisfactory to the original purchasers of the
21 bonds issued therefor, and may also require that the security given by contractors and by
22 any depository of the proceeds of the bonds or revenues or other moneys be satisfactory
23 to such purchasers, and may also contain provisions concerning the conditions, if any, upon
24 which additional revenue bonds may be issued. It shall be lawful for any bank or trust
25 company incorporated under the laws of this state to act as such depository and to furnish
26 such indemnifying bonds or pledge such securities as may be required by the authority.
27 Such indenture may set forth the rights and remedies of the bondholders and of the trustee
28 and may restrict the individual right of action of bondholders as is customary in trust
29 indentures securing bonds and debentures of corporations. In addition to the foregoing,
30 such trust indenture may contain such other provisions as the authority may deem
31 reasonable and proper for the security of the bondholders. All expenses incurred in
32 carrying out such trust indenture may be treated as a part of the cost of maintenance,
33 operation, and repair of the project affected by such indenture.

1 38-1-34.

2 In the resolution providing for the issuance of revenue bonds or in the trust indenture, an
3 authority created under this article shall provide for the payment of the proceeds of the sale
4 of the bonds to any officer or person who, or any agency, bank, or trust company which,
5 shall act as trustee of such funds and shall hold and apply the same to the purposes of this
6 article, subject to such regulations as this article and such resolution or trust indenture may
7 provide.

8 38-1-35.

9 The revenues, fees, tolls, and earnings derived from any particular project or projects,
10 regardless of whether or not such fees, earnings, and revenues were produced by a
11 particular project for which bonds have been issued, unless otherwise pledged and
12 allocated, may be pledged and allocated by an authority created under this article to the
13 payment of the principal and interest on revenue bonds of the authority as the resolution
14 authorizing the issuance of the bonds or the trust instrument may provide. Such funds so
15 pledged from whatever source received, including funds received from one or more or all
16 sources, shall be set aside at regular intervals as may be provided in the resolution or trust
17 indenture into a sinking fund which shall be pledged to and charged with the payment of:

18 (1) The interest upon such revenue bonds as such interest shall fall due;

19 (2) The principal of the bonds as the same shall fall due;

20 (3) The necessary charges of paying agents for paying principal and interest and other
21 investment charges;

22 (4) Any premium upon bonds retired by call or purchase as provided in this article; and

23 (5) Any investment fees or charges.

24 The use and disposition of such sinking fund shall be subject to such regulations as may
25 be provided in the resolution authorizing the issuance of the revenue bonds or in the trust
26 indenture but, except as may otherwise be provided in such resolution or trust indenture,
27 such sinking fund shall be maintained as a trust account for the benefit of all revenue bonds
28 without distinction or priority of one over another. Subject to the provisions of the
29 resolution authorizing the issuance of the bonds or the trust indenture, any surplus moneys
30 in the sinking fund may be applied to the purchase or redemption of bonds, and any such
31 bonds so purchased or redeemed shall forthwith be canceled and shall not again be issued.

32 38-1-36.

33 Any holder of revenue bonds issued under the provisions of this article or any of the
34 coupons appertaining thereto and the trustee under the trust indenture, if any, except to the
35 extent the rights given in this article may be restricted by resolution passed before the

1 issuance of the bonds or by the trust indenture, may, either at law or in equity, by suit,
2 action, mandamus, or other proceedings, protect and enforce any and all rights under the
3 laws of this state or granted under this article or under such resolution or trust indenture
4 and may enforce and compel performance of all duties required by this article or by such
5 resolution or trust indenture to be performed by the authority or any officer thereof,
6 including the fixing, charging, and collecting of revenues, fees, tolls, and other charges for
7 the use of the facilities and services furnished.

8 38-1-37.

9 An authority created under this article is authorized to provide by resolution for the
10 issuance of bonds of the authority for the purpose of funding or refunding any revenue
11 bonds issued under the provisions of this article and then outstanding, together with
12 accrued interest thereon and premium, if any. The issuance of such funding or refunding
13 bonds, the maturities and all other details thereof, the rights of the holders thereof, and the
14 duties of the authority in respect to the same shall be governed by the foregoing provisions
15 of this article insofar as the same may be applicable.

16 38-1-38.

17 Bonds of an authority created under this article shall be confirmed and validated in
18 accordance with the procedures of Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the
19 'Revenue Bond Law.' The petition for validation shall also make party defendant to such
20 action the State of Georgia or any municipality, county, authority, political subdivision, or
21 instrumentality of the State of Georgia which has contracted with the authority for the
22 services and facilities of the project for which bonds are to be issued and sought to be
23 validated, and the state or such municipality, county, authority, political subdivision, or
24 instrumentality shall be required to show cause, if any exists, why such contract or
25 contracts and the terms and conditions thereof should not be inquired into by the court and
26 the contract or contracts adjudicated as a part of the basis for the security for the payment
27 of any such bonds of the authority. The bonds, when validated, and the judgment of
28 validation shall be final and conclusive with respect to such bonds, and the security for the
29 payment thereof and interest thereon and against the authority issuing the same and the
30 state and any municipality, county, authority, political subdivision, or instrumentality, if
31 a party to the validation proceedings, contracting with the redevelopment authority.

32 38-1-39.

33 Any action to protect or enforce any rights under the provisions of this article or any suit
34 or action against such authority shall be brought in the Superior Court of Fulton County,

1 Georgia; and any action pertaining to validation of any bonds issued under the provisions
2 of this article shall likewise be brought in said court which shall have exclusive, original
3 jurisdiction of such actions.

4 38-1-40.

5 While any of the bonds issued by an authority created under this article remain outstanding,
6 the powers, duties, or existence of said authority or its officers, employees, or agents shall
7 not be diminished or impaired in any manner that will affect adversely the interests and
8 rights of the holders of such bonds. No other entity, department, agency, or authority will
9 be created which will compete with the authority to such an extent as to affect adversely
10 the interest and rights of the holders of such bonds, nor will the state itself so compete with
11 the authority. The provisions of this article shall be for the benefit of the authority and the
12 holders of any such bonds, and, upon the issuance of bonds under the provisions hereof,
13 shall constitute a contract with the holders of such bonds.

14 38-1-41.

15 All moneys received pursuant to the authority of this article, whether as proceeds from the
16 sale of revenue bonds, as grants or other contributions, or as revenue, income, fees, and
17 earnings, shall be deemed to be trust funds to be held and applied solely as provided in this
18 article.

19 38-1-42.

20 An authority created under this article is authorized to prescribe and fix rates and to revise
21 the same from time to time and to collect fees, tolls, and charges for the services, facilities,
22 and commodities furnished and, in anticipation of the collection of the revenues of such
23 undertaking or project, to issue revenue bonds as herein provided to finance, in whole or
24 in part, the cost of the acquisition, construction, reconstruction, improvement, betterment,
25 or extension of any project and to pledge to the punctual payment of said bonds and interest
26 thereon, all or any part of the revenues of such undertaking or project, including the
27 revenues of improvements, betterments, or extensions thereto thereafter made.

28 38-1-43.

29 It shall be the duty of an authority created under this article to prescribe rules and
30 regulations for the operation of the project or projects constructed or acquired under the
31 provisions of this article.

1 38-1-44.

2 An authority created under this article shall have the same immunity and exemption from
3 liability for torts and negligence as other counties and municipalities in this state; and the
4 officers, agents, and employees of the authority, when in the performance of the work of
5 the authority, shall have the same immunity and exemption from liability for torts and
6 negligence as officers, agents, and employees of other counties and municipalities in this
7 state when in the performance of their public duties or work of such political subdivisions.

8 38-1-45.

9 It is found, determined, and declared that the creation of an authority under this article and
10 the carrying out of its corporate purpose is in all respects for the benefit of the people of
11 this state and that such authority is an institution of purely public charity and will be
12 performing an essential governmental function in the exercise of the power conferred upon
13 it by this article, and this state covenants with the holders of the bonds that such authority
14 shall not be required to pay any taxes or assessments upon any of the property acquired or
15 leased by it or under its jurisdiction, control, possession, or supervision or upon its
16 activities in the operation or maintenance of the projects erected by it or any rates, fees,
17 tolls, or other charges for the use of such projects or other income received by such
18 authority, and that the bonds of the authority, their transfer, and the income therefrom shall
19 at all times be exempt from taxation within this state. The exemption from taxation
20 provided for in this Code section shall not extend to tenants or lessees of such authority and
21 shall not include exemptions from sales and use taxes on property purchased by such
22 authority or for use by such authority.

23 38-1-46.

24 The provisions of this article shall be deemed to provide an additional and alternative
25 method for the doing of the things authorized by this article, shall be regarded as
26 supplemental and additional to powers conferred by other laws, and shall not be regarded
27 as in derogation of any powers now existing.

28 38-1-47.

29 This article shall not and does not in any way take from any county or municipality the
30 authority to own, operate, and maintain projects or to issue revenue bonds as is provided
31 by Article 3 of Chapter 82 of Title 36, the 'Revenue Bond Law.'

1 38-1-48.

2 This article being for the welfare of various political subdivisions of the state and its
3 inhabitants shall be liberally construed to effect the purposes of this article."

4 **SECTION 2.**

5 This Act shall become effective upon its approval by the Governor or upon its becoming law
6 without such approval.

7 **SECTION 3.**

8 All laws and parts of laws in conflict with this Act are repealed.